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SECURITY INFORMATION

CENTRAL INTELLIGENCE AGENCY

INFORMATION REPORT

REPORT NO.

CD NO.

25X1A COUNTRY

DATE DISTR. 23 Oct. 1951

SUBJECT   Sale of Medicines to Communist China

NO. OF PAGES   1

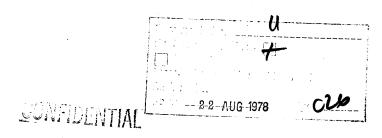PLACE ACQUIRED   25X1A

NO. OF ENCLS. (LISTED BELOW)

DATE OF INFO.

SUPPLEMENT TO REPORT NO.

25X1X

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1. Owing to the shortage of medicines and consumer goods in China and Indochina, large quantities of these commodities, destined for the Thai market, are being transported across the borders of these countries. Exorbitant prices are paid in U.S. dollars, particularly for medicines, or, alternatively, the goods are exchanged for Chinese products such as wolfram, buffalo skins and watersnake skins which are normally subject to prohibitive customs duties.

2. Usom Budhiyakom, owner of the Siam Mercantile Company of Bangkok, and a self-confessed Communist, is at present importing war surplus atabrin and sulpha drugs from Biddle Sawyer of London. He buys at c.i.f. Bangkok $.839 per thousand tablets of 0.6 atabrin and $1.119 per thousand tablets of 0.01 atabrin. The tablets arrive in containers of 15, 500, and 3,000 tablets and are sold at once to Chinese dealers on Rajawong Road and in the Songwad District. Between 35 percent and 45 percent of the total imports of these drugs, in particular the sulpha Diasol and Guanadine products, reach the Communists passing over the borders in the Sibsong Panna and Watthana (102-30, 13-40) areas.

3. Although precise figures of these imports are not known it is estimated that approximately a million and a half tablets of atabrin and 750,000 tablets of sulpha drugs have been imported.

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